

Office of Attorney General Terry Goddard



STATE OF ARIZONA
DEPARTMENT OF LAW
1275 W. WASHINGTON STREET
PHOENIX, ARIZONA 85007-2926
WWW.AZAG.GOV

ANDREA M. ESQUER
PRESS SECRETARY
PHONE: (602)-542-8019
CELL PHONE: 602-725-2200

Terry Goddard to Pursue Predatory Lending Legislation in 2005

(Tucson, Ariz. – September 9, 2004) Arizona Attorney General Terry Goddard is committed to safeguarding Arizona consumers from the predatory practices of unscrupulous lenders and mortgage brokers.

During a press conference in Tucson, Goddard was expected to be joined by members of the Tucson City Council and the Pima County Board of Supervisors. He renewed his commitment to see predatory lending legislation become a reality.

"It is time Arizona joined the 28 other states in protecting consumers from lenders who prey on their trust and goodwill when entering new home loans or refinance agreements," Goddard said. "And if it doesn't happen at the legislature, then we will turn to local government to fill the void."

Goddard will soon be meeting with constituency groups to discuss language that will be included in a predatory lending bill. Goddard will be working with policy makers to address prepayment penalties, balloon payments, and other lending practices.

This legislation has been raised because of concerns linking predatory loans and the growing number of foreclosures in Arizona. Consider the following:

- In Pima County, a study conducted by the Southwest Fair Housing Council, found that between 1995 and 2002, foreclosures rose a staggering 144 percent.
- A distressed property investment advisory firm (Foreclosures.com), reports that foreclosures in Maricopa County are running at an estimated 1500 per month --due to the activities of predatory sub-prime lenders in the Phoenix-Mesa metropolitan area.

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